

Florence Forum

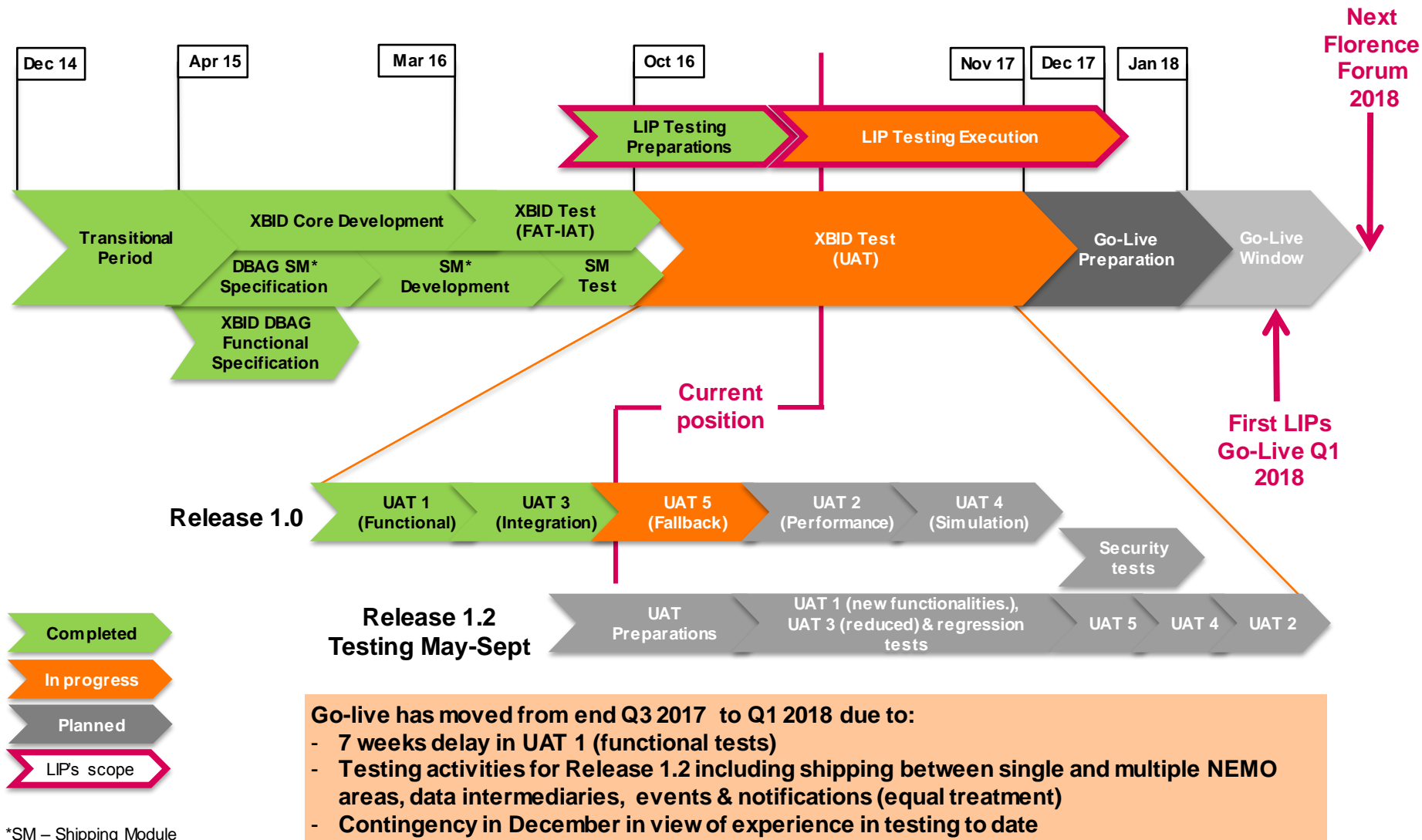
XBID Project Update

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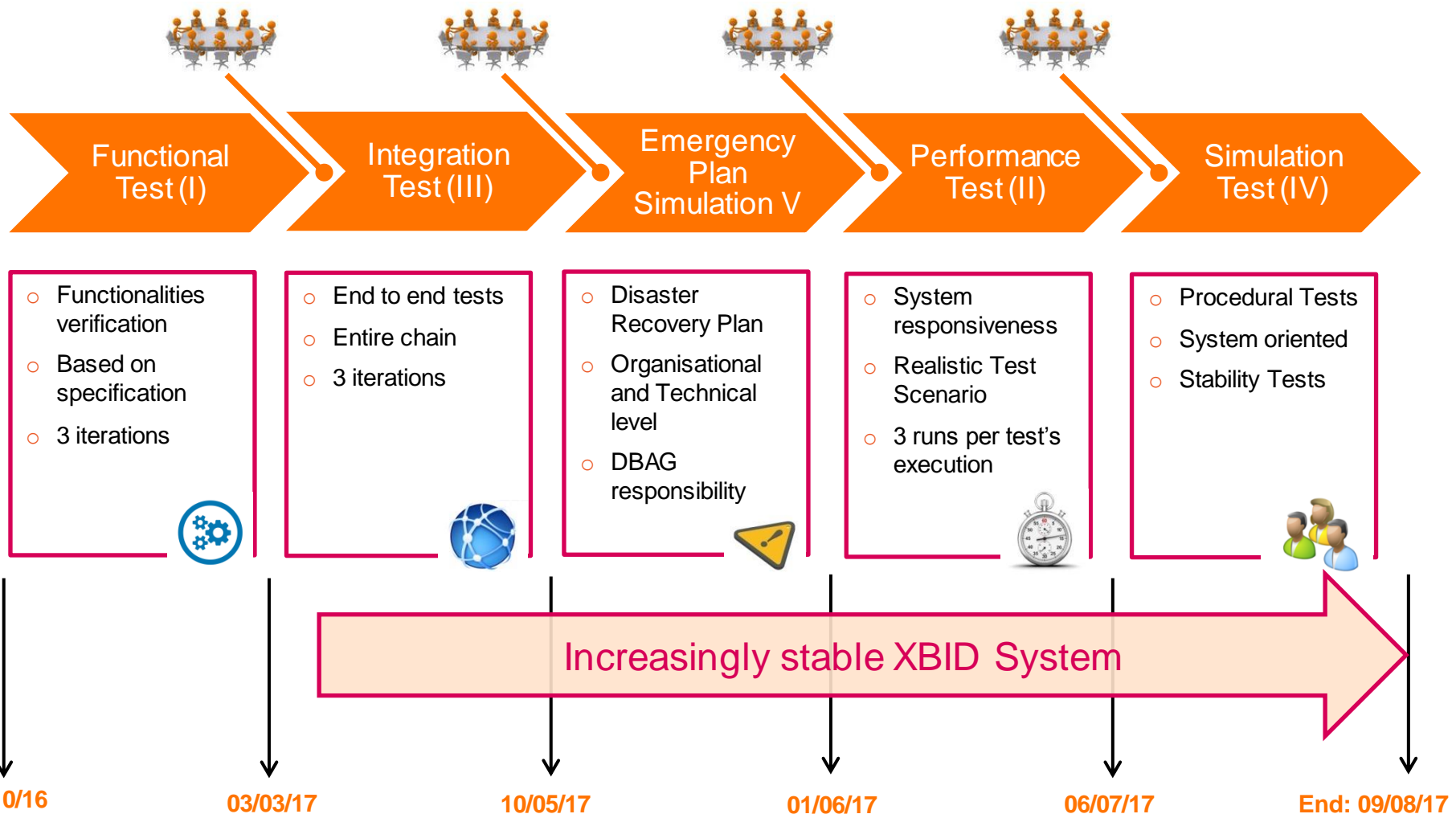
- 1. Project Timeline**
- 2. Project Progress**
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1. Project Timeline – Updated High Level Delivery Plan until Go-Live



*SM – Shipping Module

1. Plan detailing User Acceptance Test (UAT) phases



2. Project Progress – Key achievements

- The **Hosting contract is agreed** and the **Maintenance contract is substantially agreed as well as the Back to Back (B2B) between NEMOs and TSOs** (awaiting one regulatory approval) ✓
- The **MPLSs** (secure communications channels – provided by COLT and Orange) are implemented and have been **successfully tested** ✓
- **Shipping arrangements have been confirmed for all LIPs** in the first go-live ✓
- **Independent financial audits of the PXs continue to provide positive assurance** and the project is currently within budget ✓
- The **Accession Stream has completed the knowledge transfer phase and 2 Accession LIPs plan to be part of the first XBID go-live** (Baltics and Iberian Peninsula) ✓
- The service providers for the **Central Administration** of the XBID modules have been **selected/confirmed** ✓
- **An independent service provider (PWC) has been selected** by the NEMOs to undertake additional **security tests** on XBID ✓
- There is extensive focus on agreeing the **Intraday Operational Agreement (IDOA)** with a pre-final version due to be achieved before the summer. ✓
- Substantial progress has been achieved with the drafting of **operational procedures** and **agreeing the critical business processes** with DBAG ✓
- There has been continued stakeholder communications. **An Implementation Group (IG) meeting with NRAs was held on 8th March 2017.** The next User Group is scheduled for **20th June.** ✓
- **Discussions amongst all NEMOs and all TSOs are in progress about the future governance, under CACM, of the project once XBID go-live has been secured.** ✓

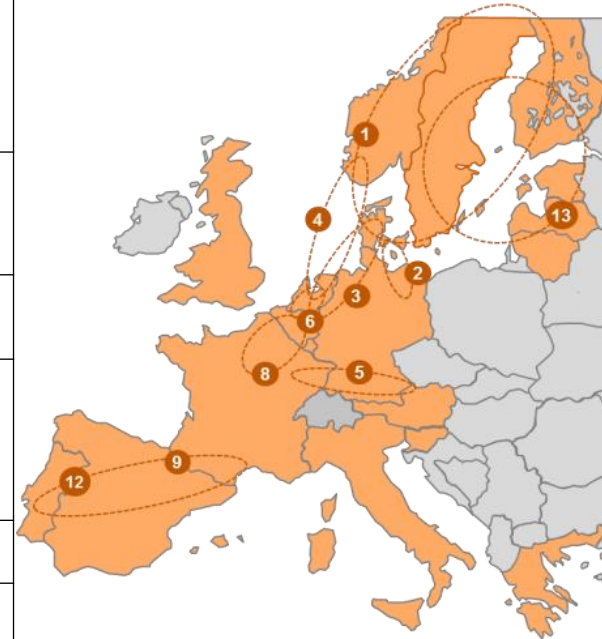
2. Project Progress – Challenges

XBID continues to be a very complex and demanding project to deliver

- Whilst recognising that significant progress has been made in delivering XBID there continue to be a broad range of complex issues which put risk on the project.
- Since the last Florence Forum progress has been made on a number of challenges which include **Multi-NEMOs and Shipping** – *The shipper solution for the French/ Spanish border will be ready for first XBID go-live*; **Shipping arrangements** – *All agreed for LIPs in first go-live*; and **Capacity Co-ordination** in the Nordics – *Solution agreed*
- However, there remain a number of challenges including:
 - **Cost sharing and recovery in the context of CACM regulation (SIDC) for common XBID costs until go-live – including participation of Accession Stream Members - as well as regional LIP costs**
 - Clarification is awaited from NRAs
 - **Cost of DBAG services particularly with regards to Change Requests (CRs)**
 - Project Parties and NRAs are concerned about the DBAG mark-up
 - **Selection of Energy Identification Codes (EIC) configuration**
 - Finding solutions for variations between project parties on the number of channels etc.
 - **Selecting and confirming the products for go-live**
 - Using performance testing to develop the route map for delivering all products. Aim is to have at Go-live, as a minimum, what is currently available in the market. Further communications on this will be made before go-live. Production-like testing with market participants will also be organized.
 - **Managing the issues identified in LIP preparation and testing**
 - These issues can require CRs which it is becoming increasingly challenging to incorporate as the project moves closer to delivery
 - **Finalizing the All Nemo Intra-Day Operational Agreement in parallel with IDOA**
 - This agreement is based on the MCO Plan not yet approved by NRAs. However planning and negotiations, closely related to IDOA's outcomes, are underway.

3. Status Overview – LIPs part of 1st go-live

LIP	Status overall	Explanation of status as provided by LIP
1	Deadline potentially at risk	Project status is yellow as implementing the solution for supporting multiple NEMOs in the Nordics is foreseen to be completed shortly before the LIP testing window end. LIP procedures, master test plan, test cases identified and detailed scenarios are being drafted.
2	On schedule	Decision on shipping solution taken, implementation details for preferred shipper still need to be agreed with all LIP parties - relates to nomination on behalf and relevant update of contractual framework.
3	On schedule	Decision on shipping solution is taken (preferred shipping). Remaining decision on explicit allocation is clarified. No explicit solution is needed.
4	Deadline potentially at risk	There is one major risk being the timeline risk from the still discussed implementation of the shipping arrangement (linked to the same issue as in LIP 1). LIP procedures, master test plan, test cases identified and detailed scenarios are being drafted. Planning ongoing.
5	On schedule	LIP testing ongoing.
6	On schedule	Testing of pre-coupling within FIT is successful for LIP6. Preparation of test script for post-coupling FIT is ongoing. LIP 6 procedures are finalized (could be re-open in light of new elements). LIP 6 Master Test Plan is approved. Planning is on track.
8	On schedule	LIP procedures, master test plan, test cases identified and detailed scenarios are being drafted. Planning ongoing.
9 12	On schedule	LIP procedures, master test plan, test cases identified and detailed scenarios are being drafted. Planning ongoing.
13	On schedule	HLA approved. Master Test Plan approved, test scenarios and test cases done for LIP FIT testing. LIP FIT Test entry criteria fulfilled and report delivered to LIP test coordinator. Ready for FIT pre-coupling test.



NRAs have confirmed that explicit access will only be given on the DE/FR border. It will not be given on any other borders in the first go-live

4. Go-live preparations

- Go-live activities and deliverables have been agreed and responsibilities assigned to XBID project bodies and to LIPs. These include amongst others
 - Go-live check list and script
 - Launch strategy and planning (assumption that all parties Go-Live at the same time)
 - Operational organisation (IC, OPSCOM, etc.)
 - XBID Operational Agreement (IDOA), All Nemo Intraday Operational Agreement (ANIDOA) and local agreements
 - Operational training
 - Go-Live readiness monitoring
 - PX market participants testing
 - Central communication to market participants on go-live status & alignment of decentral communication with LIPs etc.
- A Go-Live Co-ordinator has been appointed
- The list of requirements to be fulfilled by LIP's to be part of XBID go-live are agreed. It is LIP responsibility to ensure readiness for go-live – the central XBID project will monitor/verify:
 - Operational team readiness in accordance with the regional/local and XBID procedures
 - All regulatory requirements fulfilled and regulatory approval(s) received (where required)
 - All required regional/local arrangements established, or, when and where applicable, regional/local contracts signed
 - All relevant market participants were informed about the foreseen changes
 - System readiness – successful completion of LIP Testing
 - Local procedures between parties agreed in line with XBID procedures

5. Summary

- Substantive progress has been made in delivering the XBID project
- Technical readiness of XBID is planned for November 2017 and the first XBID LIPs go-live in Q1 2018.
- The Accession Stream makes good progress and some Accession LIPs (Baltic and Iberian Peninsula) are preparing to be part of the first go-live
- Good progress is being made in User Acceptance Testing. DBAG is making progress resolving bugs found in testing.
- The project is complex and proves to be continually challenging. Progress has been made in resolving complex issues such as shipping between single and multiple NEMO areas. However, other complex challenges are still unresolved including cost sharing/recovery (where clarity is urgently needed from the NRAs in order to ensure the project time line) and EIC codes.
- **We all continue to invest extensively to deliver a successful XBID Go-Live and support Accession parties to build their knowledge and plans to achieve successful XBID implementation**